

2024 Regular Session

SENATE BILL NO. 463

BY SENATOR WHEAT

DENTAL HEALTH. Creates the Louisiana Dental Loss Ratios for Dental Healthcare Services Plans Act. (1/1/25)

1 AN ACT

2 To enact Subpart H of Part III of Chapter 4 of Title 22 of the Louisiana Revised Statutes of  
3 1950, to be comprised of R.S. 22:1161 through 1166, relative to dental healthcare  
4 plans; to provide for transparency of expenditures of dental healthcare plan  
5 premiums; to require an annual report; to require rules; to provide for an effective  
6 date; and to provide for related matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. Subpart H of Part III of Chapter 4 of Title 22 of the Louisiana Revised  
9 Statutes of 1950, comprised of R.S. 22:1161 through 1166, is hereby enacted to read as  
10 follows:

11 **SUBPART H. LOUISIANA DENTAL LOSS RATIOS FOR DENTAL**  
12 **HEALTHCARE SERVICES PLANS ACT**

13 **§1161. Short title**

14 **This Subpart shall be cited as the "Louisiana Dental Loss Ratios for**  
15 **Dental Healthcare Services Plans Act".**

16 **§1162. Purpose**

17 **The purpose of this Subpart is to provide for transparency of the**

1 expenditures of dental healthcare service plan premiums and to require annual  
2 reports.

3 §1163. Definitions

4 As used in this Subpart, the following definitions apply:

5 (1) "Dental carrier" or "carrier" means a dental insurance company,  
6 dental service corporation, dental plan organization authorized to provide  
7 dental benefits, or a health insurance plan that includes coverage for dental  
8 services.

9 (2) "Dental healthcare service plan" or "plan" means any plan that  
10 provides coverage for dental healthcare services to enrollees in exchange for  
11 premiums.

12 (3) "Dental loss ratio" means a percentage of premium dollars spent on  
13 patient care as calculated pursuant to R.S. 22:1164.

14 §1164. Dental loss ratio calculations

15 The dental loss ratio is calculated by dividing the numerator by the  
16 denominator as follows:

17 (1)(a) The numerator is the sum of the amount incurred for clinical  
18 dental services provided to enrollees, the amount incurred on activities that  
19 improve dental care quality, and other incurred claims as defined in 45 CFR  
20 158.140(a).

21 (b) The activities to improve dental care quality shall not exceed five  
22 percent of the carrier's net revenue.

23 (c) Administrative and overhead costs shall not be included in the  
24 numerator.

25 (2) The denominator is the total amount of premium revenue except for  
26 federal and state taxes, licensing and regulatory fees paid, and any nonprofit  
27 community expenditures, as defined in 45 CFR 158.162(c), and any other  
28 payments required by federal law.

29 §1165. Transparency of patient premium expenditures; dental loss ratio annual

1 report

2 A. In order to provide transparency of patient premium expenditures for  
3 dental healthcare services, all carriers that renew, deliver, or issue a dental  
4 healthcare service plan in this state shall file a dental loss ratio annual report  
5 for the preceding calendar year to the commissioner no later than March 1,  
6 2025, and annually thereafter, no later than June thirtieth of each calendar  
7 year.

8 B. The dental loss ratio annual report shall comply with all of the  
9 following:

10 (1) Be organized by market and product type.

11 (2) Contain the same information as required by the 2013 Centers for  
12 Medicare and Medicaid Services Medical Loss Ratio Annual Reporting Form  
13 (CMS-10418).

14 (3) Provide the number of enrollees, the plan cost-sharing, deductible  
15 amounts, the annual maximum coverage limit, and the number of enrollees who  
16 meet or exceed the annual coverage limit.

17 C. Any terms used in the dental loss ratio annual report shall have the  
18 same meaning as used in the Public Health Service Act, 42 U.S.C. 300gg-18 and  
19 Part 158 of Title 45 of the Code of Federal Regulations.

20 D. If the commissioner finds that additional information is needed to  
21 verify a plan's representation of its data, the commissioner shall provide a  
22 written notice to the carrier that requests this additional information. The  
23 carrier shall have thirty days from receipt of the notice to submit the additional  
24 information.

25 E. The dental loss ratio annual report filed with the commissioner shall  
26 be made available to the public no later than June 30, 2025, and annually  
27 thereafter, no later than June thirtieth of each calendar year. The commissioner  
28 shall post the dental loss ratio in a searchable format on the department's  
29 website.

1                   **F. The commissioner shall file a report on the data collected pursuant to**  
 2                   **this Section with the Senate Committee on Insurance and the House Committee**  
 3                   **on Insurance, and a copy of the report shall be forwarded to the David R.**  
 4                   **Poynter Legislative Research Library as required by R.S. 24:771 and 772, no**  
 5                   **later than June 30, 2025, and annually thereafter, no later than June thirtieth**  
 6                   **of each calendar year.**

7                   **G. The provisions of this Subpart shall not apply to plans under**  
 8                   **Medicaid or the Louisiana Children's Health Insurance Program.**

9                   **§1166. Rulemaking**

10                   **The commissioner shall promulgate rules and regulations as necessary**  
 11                   **to implement the provisions of this Subpart, including but not limited to**  
 12                   **definitions of eligible clinical dental services, activities to improve dental care**  
 13                   **quality, and administrative and overhead cost expenditures.**

14                   Section 2. This Act shall become effective on January 1, 2025.

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The original instrument was prepared by Beth O'Quin. The following digest, which does not constitute a part of the legislative instrument, was prepared by Amanda Trapp.

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DIGEST

SB 463 Engrossed

2024 Regular Session

Wheat

Proposed law creates the "La. Dental Loss Ratios for Dental Healthcare Services Plans Act".

Proposed law provides definitions for "dental carrier", "dental healthcare service plan", and "dental loss ratio".

Proposed law requires dental carriers to file an annual report for dental loss ratios to the commissioner of insurance (commissioner) no later than March 1, 2025, and annually thereafter, no later than March 1st of each calendar year.

Proposed law provides the information that is required to be included for the dental loss ratio annual report.

Proposed law provides the commissioner may request additional information from the carrier to verify the annual report data.

Proposed law requires the dental ratio report be published in a searchable format on the Dept. of Insurance's website no later than June 30, 2025, and annually thereafter, no later than June 30th of each calendar year.

Proposed law requires the commissioner to promulgate rules to effectuate proposed law.

Effective January 1, 2025.

(Adds R.S. 22:1161-66)

Summary of Amendments Adopted by Senate

Committee Amendments Proposed by Senate Committee on Health and Welfare to  
the original bill

1. Changes dates for the insurers to provide information to the commissioner and for the commissioner to publish the information on Dept. of Insurance's website.
2. Makes technical changes.